

ML:NDB
F. #2018R01655

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
----- X

UNITED STATES OF AMERICA

- against -

ZHENAI LI,

Defendant.

TO BE FILED UNDER SEAL

**COMPLAINT AND
AFFIDAVIT IN SUPPORT
OF ARREST WARRANT**

(18 U.S.C. §§ 1952(a)(3)(A), 1952(b)(1)
and 2)

----- X 22-MJ-262

EASTERN DISTRICT OF NEW YORK, SS:

JOSEPH KANG, being duly sworn, deposes and states that he is a Special Agent with the United States Department of Homeland Security, Homeland Security Investigations, duly appointed according to law and acting as such.

In or about and between July 2018 and September 2021, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant ZHENAI LI, together with others, did knowingly and intentionally use, and cause to be used, one or more facilities in interstate and foreign commerce, to wit: the Internet and telephone, with intent to promote, manage, establish and carry on an unlawful activity, to wit: a business enterprise involving prostitution, in violation of the laws of the State in which they were committed and of the United States, and did thereafter perform and attempt to perform the promotion, management, establishment, carrying on and facilitation of the promotion, management, establishment and carrying on of such unlawful activity.

(Title 18, United States Code, Sections 1952(a)(3)(A), 1952(b)(1) and 2)

The source of your deponent's information and the grounds for his belief are as follows:¹

1. I am a Special Agent with the United States Department of Homeland Security, Homeland Security Investigations ("HSI") and have been since 2018. In my tenure at HSI, I have been involved in the investigation of human trafficking (including prostitution and other forced labor), violations of the Travel Act, alien smuggling, visa fraud and other immigration-related offenses and money laundering. I am familiar with the facts and circumstances set forth below from my participation in the investigation; my review of the investigative file, including the defendant's criminal history record; and from reports of other law enforcement officers involved in the investigation.

2. Starting in or about approximately July 2018, HSI, together with the New York City Police Department ("NYPD") (collectively, the "Investigating Agencies"), have been investigating subjects in connection with a network of illicit massage parlors that operate under the guise of massage parlors in Queens, New York, and elsewhere (the "Silk Spa network").

3. One of the identified illicit massage parlors associated with the Silk Spa network is Silk Spa on 56 Inc., located at 46 West 56th Street in Manhattan ("Silk Spa 56"). As detailed below, the defendant ZHENAI LI, together with others, promotes, manages, and carries on Silk Spa 56's operations. LI has operated Silk Spa on 56 and other Silk Spa network locations throughout New York and New Jersey in concert with several co-conspirators. These include (i) an individual ("Individual 1"), who incorporated Silk Spa network businesses and had involvement in their construction, and is listed with LI on signature cards for business bank

¹ Because the purpose of this Complaint is to set forth only those facts necessary to establish probable cause to arrest, I have not described all the relevant facts and circumstances of which I am aware.

accounts for Silk Spa network locations; and (ii) LI's adult son, who also owns one of the Silk Spa network facilities and receives payment from that entity's business bank account. Each of these individuals receives proceeds from the Silk Spa network facilities that they use for further promotion of the Silk Spa network's commercial sex business as well as for personal expenses.

4. Silk Spa 56 advertises and has advertised for commercial sex on at least eight websites on the internet: AdultLook, AdultSearch, Backpage, CallEscort, CityXguide, EroticMugshots, OneBackpage and SkipTheGames. The online advertisements list a telephone number for Silk Spa 56 that LI self-identifies as her own in connection with Silk Spa 56 bank accounts. That telephone number is, in fact, used by clients to make reservations for commercial sex acts at Silk Spa 56, which they later consummate. LI also uses both her personal and Silk Spa 56 business bank accounts to make payments to foreign businesses known to law enforcement authorities as companies that advertise for commercial sex. More specifically, a Silk Spa 56 business bank account for which LI is a signatory has paid approximately \$31,000, and LI has paid approximately \$7,500 from her personal bank account to such businesses.

I. Silk Spa 56

5. Silk Spa 56 is located in a commercial building with two other businesses that share a common staircase (the business located on the first floor is entered and exited through a separate door). Specifically, a now-vacant women's hair salon is located on the second floor, and a gym is located on the fourth floor.

6. Rubmaps—an online forum that compiles and publishes user reviews of "spas" and "massage parlors" that provide commercial sex acts—contains dozens of publicly available reviews of commercial sex acts from users, who self-reported patronizing Silk Spa 56 from approximately December 2017 through January 2022. Each of those reviews list Silk

Spa 56's address and a telephone number (the "8398 Number"). Notably, and as detailed below in paragraph 22, the defendant ZHENAI LI reported this same telephone number as her own in connection with several bank accounts, including two Silk Spa 56 business bank accounts. The Rubmaps reviews are detailed and sexually explicit.

7. In total, there are approximately 140 reviews on Rubmaps regarding Silk Spa on 56. The following is a description of a selection of the reviews:

- a. A review dated January 2018 reviews "Pink," stating that "she's still a pretty bangable lady" and concluding that the user would "have another go at her for sure." The reviewer noted that he paid \$80 to the "house" and \$140 "extra tip" to "Pink." He also detailed the commercial sex acts that "Pink" performed as well as her physical attributes.
- b. A review dated January 2019 reviews three women: "Becky," "Cherry" and "Candy." The reviewer estimated each woman's breast size and whether any had had breast implants. The reviewer stated that he "go[es] to this spot about once a month and my favorite is Becky . . . Becky is a sex monster."
- c. A review dated October 2019 stated that, with respect to the "massage parlor details," the "mamasan always asks me who did I see last and what kind of girl do I want [sic]." That reviewer provided details about "Bella's" physical attributes and the sexual services she provided. He also reported paying \$80 "to the house" and \$140 "extra tip" to "Bella" for the "extras."
- d. A review dated January 2020 described "Becky's" physical attributes, the sex acts she performed, the price charged by "the house" and the "extra tip" provided to "Becky." It also described Silk Spa 56 as being "[v]ery quiet and private"

notwithstanding that the reviewer “heard some other guy in the room next door . . . [making] sexy noises . . . while [he] was getting serviced.”

- e. A review dated October 2020 reviewed “Sammy.” Like the other reviews on Rubmaps, the woman’s physical attributes and sex acts performed, as well as price, are detailed. That reviewer noted that a “[m]ask was required” noting that, “[i]f that puts you off, I wouldn’t go, [as] the MMS [mamasan] seemed fairly adamant about it.” The reviewer also noted that Silk Spa 56 was busy and said that appointments are recommended: “Word to the wise, call ahead.”
- f. A review dated July 2021 described “Pink’s” physical attributes and the sex acts she performed. The reviewer noted that he paid \$80 “to the house” and left a \$160 tip for “Pink,” and stated his intention to “definitely repeat, I spotted some other hot girls as I walked out so I might try with someone else.”
- g. A review dated August 2021 described “Aiko’s” physical attributes and the sex acts she performed. The reviewer described Silk Spa 56 as “a fairly discreet place a bit hidden but you will get there with the address” and noted that it has “private rooms”.
- h. A review dated January 2022 described “Victoria’s” physical attributes, the sex acts she performed, and the price paid. The reviewer indicated that he has “been seeing [“Victoria”] for about 10 years,” and that he “hit her up again the next day before heading out of town.”

Based on my training and experience, as well as my knowledge of the investigation to date, I believe that, in each of the Rubmaps reviews detailed above as well as the others listed for Silk Spa 56, a customer has reviewed the commercial sex acts he received at Silk Spa 56.

8. On or about December 14, 2018, agents conducted physical surveillance outside Silk Spa 56, at which time they observed an electronic sign on a window located on the third floor advertising a spa and the 8398 Number. As detailed below in paragraph 22, the defendant ZHENAI LI reported this same telephone number as her own in connection with several bank accounts, including Silk Spa 56 business bank accounts. While conducting surveillance of the location, agents observed a car driven by an unknown Asian male with an Asian female passenger drive up and double-park in front of Silk Spa 56; the male exited the vehicle and retrieved crates of fruit from the trunk, while the female exited the vehicle and retrieved items in plastic bags from the backseat area; both then entered the building. An agent followed the male and female into the building, at which time the male exited the building and returned to the vehicle; the agent followed the female up to the third floor, where Silk Spa 56 is located. The agent offered to hold the door open for the female as she moved the crates and bags inside Silk Spa 56; the agent observed an older female inside assisting the woman bring the crates and bags inside.

9. On or about January 24, 2019, an undercover officer (“UC-1”) called the 8398 Number and spoke to a woman to confirm that Silk Spa 56 was open and made an appointment for that afternoon. An individual from Silk Spa 56 then sent UC-1 a text message from the 8398 Number with the address for Silk Spa 56. Soon thereafter, UC-1 went to Silk Spa 56 and rang the bell marked “spa” outside the building. UC-1 entered the building and proceeded up the stairs to the third floor, where UC-1 observed a white door with the word “spa” on it, and a camera above the door. UC-1 followed signs on the wall directing him to another door around the corner. UC-1 also observed a camera overlooking that door. After ringing the bell on the side of the door, a woman who appeared to manage Silk Spa 56 greeted UC-1,

allowed him to enter the location and asked if he had an appointment. UC-1 confirmed that he did, and the woman stated that she had spoken to him on the telephone earlier. UC-1 observed the counter near the entrance and a hallway that had approximately eight to 10 rooms along it. There was a camera over the counter and one at each end of the hallway. UC-1 was then taken to a private room in the back, where he spoke with a young woman who agreed to a proposed commercial sex act, specifically manual stimulation of the penis, in exchange for \$70 to the house, plus \$80 tip. The young woman took UC-1's credit card and left the room. The woman who managed Silk Spa 56 returned and told UC-1 that, after attempting to charge his credit card, it had been declined. UC-1 left the facility, saying that he would return with another credit card. The woman who managed Silk Spa 56 told UC-1 to call in advance if he wants to come back again.

10. On or about January 19, 2022, agents conducted physical surveillance outside Silk Spa 56. While conducting surveillance of the location, agents observed approximately 17 males enter and/or exit the location after being buzzed inside the front door, each of whom exited the building approximately 60 to 120 minutes after entering. Agents also observed approximately one female and four males enter the location using a key. Based on my training and experience, as well as my knowledge of the investigation to date, I believe that the males who entered after being buzzed into the building were individuals who were customers seeking commercial sex services at Silk Spa 56.

11. On or about February 1, 2022, agents conducted physical surveillance outside Silk Spa 56. While conducting surveillance of the location, agents observed approximately 10 males enter and/or exit the location after being buzzed inside the front door, each of whom exited the building approximately 60 to 90 minutes after entering. Agents also

observed approximately two females enter the location using a key, and one Asian female, who poked her head outside the door to speak in Korean with another Asian female, the second of whom arrived in a vehicle with a male and brought bags of groceries including a 25-pound bag of rice into the building; the male and second Asian female who arrived at the location with groceries left the building a few minutes later, with the male carrying a space heater and computer. Based on my training and experience, as well as my knowledge of the investigation to date, I believe that the males who entered after being buzzed into the building were individuals who were customers seeking commercial sex services at Silk Spa 56.

12. On or about February 9, 2022, an undercover officer (“UC-2”) called the 8398 Number to confirm that the location was open the next day. An unknown female answered the phone and asked if UC-2 had ever been to Silk Spa 56 before. UC-2 stated that he had not. The female told UC-2 that the women available are Korean; she also told UC-2 that she would text him additional information. Shortly thereafter, an individual from Silk Spa 56 sent UC-2 a text message from the 8398 Number with the address for Silk Spa 56: “46[]west 56st Between 5-6ave 3Fl,” and the price: “80+ tips include table shower and massage,” “tip is to talk to a girl.” UC-2 asked if he could pay by credit card, and the 8398 Number responded “+ 10%.” From these communications, UC-2 understood that the cost of a massage was \$80 cash or \$88 credit card, plus an unspecified tip for commercial sex acts. On or about February 10, 2022, UC-2 went to the location of Silk Spa 56 and pressed the buzzer to be let in; UC-2 walked to the third floor and rang a doorbell next to a white door labeled “3FL.” A woman wearing a blue silk robe opened the door and invited UC-2 inside. The woman then took UC-2 to a private room in the back, where the woman agreed to a proposed commercial sex act, specifically manual stimulation of the penis, in exchange for \$80 plus \$120 tip. UC-2 asked if

he could pay by credit card, and the woman told him that he could pay by credit card, but that a 10% fee would be added. UC-2 said he would pay the \$80 fee on a credit card, and the tip in cash. UC-2 handed the woman his credit card and the woman asked for UC-2's New York State identification; UC-2 handed the woman a UC driver's license, which the woman took and left the room. The woman returned and handed UC-2 back his credit card, driver's license and a receipt showing an \$88.00 charge to "Star 8 Corp[,] 46 W 56th St FL3, New York, NY 10019[,] 929-233-8398[.]" UC-2 then walked to the entrance of Silk Spa 56, took a business card, and left the location, saying that he would be back with cash from his car. The business card listed the name "New Happy Spa" on one side, and the address and 8398 Number on the other side.

13. On or about February 24, 2022, an undercover officer ("UC-3") went to the location of Silk Spa 56 and pressed the buzzer to be let in; UC-3 walked to the third floor to a white door labeled "3FL." A woman wearing white and black lingerie opened the door and invited UC-3 inside. The woman stated that the price of an hour's massage was \$100. UC-3 handed the woman his UC credit card, which the woman took and charged \$100. The woman returned to UC-3 the credit card and a receipt showing a \$100.00 charge to "Star 8 Corp[,] 46 W 56th St FL3, New York, NY 10019[,] 929-233-8398[.]" The woman then took UC-3 to a private room in the back. UC-3 asked how much it would cost for "full service," by which he meant sexual intercourse, and the woman stated that it would cost an additional \$160. UC-3 stated that he would go to an ATM to get cash and left Silk Spa 56.

14. On approximately March 3, 2022, an undercover officer ("UC-4") called the 8398 Number to make an appointment for that afternoon. An unknown female answered the phone and told UC-4 that the spa was open and that he should come over when he was available. UC-4 stated that he would be at Silk Spa 56 in approximately 30 minutes and asked for the

address. The woman agreed to UC-4's request and, shortly thereafter, an individual from Silk Spa 56 sent UC-2 a text message from the 8398 Number with the address for Silk Spa 56: "46[]west 56st Between 5-6 [Ave] 3FL," and the price: "90 + tips with table shower and body relaxation." From these communications, UC-4 understood that the cost of a massage was \$90, plus an unspecified tip for commercial sex acts. UC-4 went to the location of Silk Spa 56 and pressed the buzzer to be let in; UC-4 walked to the third floor and rang a doorbell next to a white door labeled "3FL." A woman who appeared to manage Silk Spa 56 greeted UC-4, allowed him to enter the location. She escorted UC-4 to a small room with a massage table and informed UC-4 that the fee for an hour would be \$100 if he paid by credit card. UC-4 agreed to the price and handed a credit card and identification to the woman, who instructed UC-4 to remain in the private room, saying that she would bring a woman to UC-4 shortly. The woman then left the room. She returned a short time later and returned UC-4's credit card and identification, together with a receipt, which UC-4 signed. The receipt showed \$100 charge to "Star 8 Corp[,] 46 W 56th St FL3, New York, NY 10019[,] 929-233-8398[.]". The woman who greeted UC-4 then introduced UC-4 to another woman. UC-4 and the second woman then agreed to an exchange of an additional \$200 for sexual intercourse. Both women were present for this negotiation and agreement. UC-4 then left the location.

II. LI's Involvement with the Silk Spa Network

15. On or about April 13, 2012, the defendant ZHENAI LI was arrested and charged with maintaining a house of prostitution at a Silk Spa network illicit massage parlor, currently operating under the name "New Happy Spa," in Passaic, New Jersey. Ultimately, the case was dismissed. The defendant's adult son is listed as the business owner on the

incorporation documents and bank signature cards for this Silk Spa network illicit massage parlor.

16. On or about October 1, 2012, the defendant ZHENAI LI was arrested and charged with prostitution at the same Silk Spa network illicit massage parlor in Passaic. Ultimately, LI pleaded guilty to disorderly conduct.

17. On or about February 7, 2019, agents conducted physical surveillance of the defendant ZHENAI LI as she left her apartment in Flushing, Queens. Agents observed LI driving in a White Lexus RX, registered to LI, bearing New York license plate number HUX 7682 (the “LI vehicle”) to three Silk Spa network locations in New Jersey, including the one where she was previously arrested as described above, each of which she entered briefly. Agents also observed LI drive to multiple H Marts, which advertises itself as the largest Asian supermarket chain in the United States, where she purchased groceries that she was subsequently observed delivering to Silk Spa network locations. On or about September 12, 2019, agents conducted physical surveillance of LI and again observed her drive from her apartment in Flushing to New Jersey, where she briefly met in her vehicle with an unidentified individual from the Silk Spa network. Specifically, shortly after LI arrived and parked outside the New Happy Spa in New Jersey, a woman exited the New Happy Spa and entered LI’s vehicle; a few minutes later, the woman exited LI’s vehicle and returned to the New Happy Spa and LI drove away from the location. While conducting surveillance, agents observed exclusively male customers entering and exiting each of the Silk Spa network locations. Based on my training and experience, as well as my knowledge of the investigation to date, I believe that LI traveled from her residence in New York to the Silk Spa network locations in New Jersey to further promote, manage, or carry on prostitution at those locations. LI has not been observed at Silk

Spa 56, though as noted below her vehicle has repeatedly been identified in the immediate vicinity of the location and as explained herein, LI appears to manage Silk Spa 56's clients through operation of her telephone and its finances through corporate bank accounts.

III. LI's Operation of Silk Spa 56

18. On or about November 30, 2020, the undersigned agent attempted to serve a Form I-9 (Employment Eligibility Verification) notice of inspection on Silk Spa 56. Upon arriving at Silk Spa 56, the undersigned observed the 8398 Number posted on the entrance to Silk Spa 56. The undersigned was greeted at the door to Silk Spa 56 by a woman who identified herself as Jung Lee. The woman was dressed in lingerie and stated, in Korean, that she was Korean. The woman only opened the entry door a few inches while the agent was present. The undersigned, who is fluent in Korean, explained the purpose of the inspection to the woman in Korean. The woman stated that it was her first day working there; she did not have any identification; she did not know the owner of the business; and she did not know how many women worked there. During this conversation, the undersigned observed one additional woman present in Silk Spa 56, but the woman speaking to the undersigned directed the other woman away from the door. The undersigned left his telephone number with the woman and asked her to have the owner of the business contact him.

19. On or about December 7, 2020, a woman who identified herself as "Hanna Li" called the undersigned agent at the telephone number he had left at Silk Spa 56 the week before. The woman called the agent from a telephone number (the "3375 Number") that, through a commercial database that law enforcement queried, is associated with the defendant ZHENAI LI.

20. This number is also believed to be LI's based on an analysis of telephone records. Specifically, a review of telephone records from October 2019 through October 2020 shows that the 3375 Number's frequent contacts are LI's co-conspirators and family, including her adult son (with whom she communicated approximately 1,177 times), her daughter-in-law, (with whom she communicated approximately 437 times), and Individual 1 (with whom she communicated approximately 43 times). The phone records also show that the 3375 Number communicated with other individuals linked to LI through Silk Spa network bank documents, as well as Silk Spa network locations where she was observed on surveillance. Specifically, the 3375 Number communicated with Silk Spa 56 in Manhattan approximately 168 times, New Happy Spa in Passaic, New Jersey, approximately 101 times, and Classic Spa in Edison, New Jersey approximately 100 times. Based on this information, as well as my knowledge of the investigation to date, I believe the woman who called from the 3375 Number is LI.

21. The undersigned agent, who is fluent in Korean, spoke with "Hanna Li" in Korean. "Hanna Li" stated that she was originally from China but was of Korean heritage; she used to be the secretary of Silk Spa 56; a man whom she identified by name owns Silk Spa 56; and women from China and Korea are employees. The woman then stated that there are currently no employees and that, because of the pandemic, there was no business.

22. As noted above, the 8398 Number is the telephone number listed in sexually explicit advertisements for commercial sex acts at Silk Spa 56. For example, multiple advertisements from August 2020 for Silk Spa 56 list the 8398 Number as the contact number for men seeking "Pleasure Full Body Massage" by "Young Skiny [sic] Korean Girls." These advertisements depict images of women, some of whom are nude and some of whom are wearing lingerie. One such advertisement also lists acronyms that refer to sex acts and specify breast

size and shaved pubic hair in the “stats” section. Similarly, an advertisement from November 2020 for Silk Spa 56 female escorts lists the 8398 Number as the contact number for men seeking “YOUNG [Girl Friend Experience] Asian #1 Sensual Relax” and “TUCH+NAKED” and “FUCK.”

23. Notably, starting in approximately 2017 through present, NYPD license plate readers scanned and documented the LI vehicle in the immediate vicinity—within one block—of Silk Spa 56 on approximately twelve occasions. During this period, LI has resided in Flushing, Queens.

IV. Financial Records

24. Bank records show that, from approximately 2016 through present, the defendant ZHENAI LI has been an account signatory on at least four Silk Spa 56 business bank accounts spread across three different banks. LI listed the 8398 Number as her telephone number on two of the Silk Spa 56 business bank account’s signature cards. Bank records also show that, starting in approximately 2017, LI has paid rent for Silk Spa 56 with checks she signed from these Silk Spa 56 business bank accounts totaling approximately \$117,000. In furtherance of promoting the business, LI also uses the Silk Spa 56 business bank accounts to pay for its massage licenses, taxes and insurance. Additionally, LI has used the Silk Spa 56 business bank accounts to pay for approximately \$7,800 of groceries from H Mart, which advertises itself as the largest Asian supermarket chain in the United States. LI’s grocery purchases are consistent with agents’ observations of LI and her co-conspirators, who agents have observed bringing bags of groceries into Silk Spa 56 and other Silk Spa network locations and which conduct is indicative of the women residing at the location while performing commercial sex acts.

25. Additionally, bank records show that the defendant ZHENAI LI has received payments from Silk Spa 56, as well as other Silk Spa network illicit massage parlors, in her personal bank accounts. Specifically, from 2016 to present, LI received more than approximately \$67,000 from Silk Spa 56 and other Silk Spa network illicit massage parlors, including locations in New Jersey. These payments are generally in round-dollar increments of a few hundred dollars each. Based on my training, experience and involvement in the investigation, I believe the round-dollar payments are designed to mimic the approximate paycheck that would be expected from a legitimate business providing massages. LI typically deposited several of these checks on the same day. Additionally, LI uses the money from these checks to pay both her personal expenses (e.g., credit card payments, automobile payments and life insurance payments) and business expenses for Silk Spa network illicit massage parlors, including for massage licenses and taxes. During this period, LI has also deposited more than approximately \$100,000 in cash in her personal bank accounts, the source of which is unclear, and which has been used to pay both personal expenses and business expenses for Silk Spa network illicit massage parlors. Based on my review of the defendant's bank records and surveillance, LI has no other known source of income or employment. For instance, LI has not been observed traveling to any place of work other than Silk Spa network locations.

26. It is respectfully requested that this affidavit and arrest warrant be filed under seal until further order of the Court. The investigation into the activities of the defendant

ZHENAI LI is continuing and premature disclosure of this affidavit and arrest warrant could jeopardize the investigation and afford the defendant the opportunity to flee from prosecution.

WHEREFORE, your deponent respectfully requests that the defendant ZHENAI LI, be dealt with according to law.


JOSEPH KANG
Special Agent
United States Department of Homeland Security,
Homeland Security Investigations

Sworn to before me this by telephone
8th day of March, 2022

Marcia M. Henry
THE HONORABLE MARCIA M. HENRY
UNITED STATES MAGISTRATE JUDGE
EASTERN DISTRICT OF NEW YORK